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STAT

# An Azores tie

## Top Reagan aide aided faction, didn't register

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WASHINGTON — Ronald Reagan's chief foreign policy adviser, Richard V. Allen, aided the right-wing secessionist movement in Portugal's Azores islands but did not register under the Foreign Agents' Registration Act. The connection could prove an embarrassment if, as expected, Allen is named national security adviser in a Reagan White House.

In 1975, Allen sought US support for the secessionist movement in the Azores, but despite the counsel and contacts he offered the separatists, Allen did not register with the Justice Department under the Foreign Agents' Registration Act — the law Billy Carter ran afoul of in his dealings with the Libyans.

Allen asserted in a 1977 interview that his involvement with the separatists from the mid-Atlantic Portuguese province did not require him to register as a foreign agent. He said, "I only made my facilities available for them to do whatever they wanted to do."

But a new consideration of Allen's Azores connections — which he admitted in 1977 had left him "cross-wise" with the State Department — raises some questions.

In 1976, several immigrants from the Azores who were active in the secessionist movement called Allen their Washington "liaison man."

Allen had been involved in the Azores as early as 1970. He had independently explored business possibilities, including an attempt on behalf of alleged swindler Robert Vesco to create an unregulated financial district in the islands. Members of the islands elite welcomed Allen's plans, which were blocked by the central government in Lisbon. But Allen had made friends.

Several of them, believing a change in government would enhance their fortunes, became backers of the right-wing secessionist movement, the Front for the Liberation of the Azores (FLA), which emerged in April 1975 after a left-wing military government toppled the remnants of the Salazar dictatorship.

It is unclear just when Allen began aiding the secessionist effort, though he met in Washington with one movement activist shortly after FLA was set up. His actions eventually triggered the ire of the State Department, where officials feared the rightist group and the secessionist plot could upset America's delicately poised policy toward Portugal, a policy that sought to avoid precipitous actions by Portugal's left or right.

To clear the air, Allen in 1976 wrote then-Secretary of State Henry Kissinger what he said was a "full disclosure" of his involvement with the separatists. He acknowledged he had "not made known" to the State Department his role in arranging a meeting between secessionist leaders and the State Department in mid-summer of 1975. He also said he planned to continue to counsel the separatists.

Allen stressed in his Jan. 24, 1976, letter that he did not "represent the Azoreans or Azorean-Americans." He did not disclose, however, that a separatist group FLA had set up in Rhode Island, called the Comité 75, had paid for a trip Allen took to the islands two weeks before he wrote to Kissinger.

Allen was familiar with the Foreign Agents Registration Act. In 1974, he had registered as a \$60,000-a-year Washington lobbyist for Portuguese colonial interests in Africa. But he did not register for the FLA, although he advised separatists on lobbying Congress, ushered secessionist leaders around Capitol Hill and arranged meetings for FLA officials with State Department and intelligence officials.

Under the registration act, a "political consultant" advising a foreign group on how to influence US policy must register with the Department of Justice and periodically report his activities as an agent. He must register separately with each new group he serves. Allen denies having acted as an agent and denies knowing of FLA's existence until October 1975. But in March 1975, an Azorean acquaintance

Traveling under a code name, "Tiego Sandin," Montepregado made contact with an Azorean expatriate revolutionary government based in Fall River, Mass., where many Azorean-Americans live. The "Clandestine Government of the Azores-in-Exile" was seeking guns, money and recruits for an Azorean insurrection.

That "government" was directed by a French agent, Jean Raingeard, of the Secret Army Organization, which the CIA describes as a European-based rightist group engaged in "gun-running" and mercenary recruitment. Montepregado traveled back and forth between Fall River and Washington, where he said he had contacts.

Allen denies any contact with Montepregado in 1975, although Montepregado says he met Allen in Washington. His contention is supported by others, including a former deputy Cabinet secretary.

Following spring and mid-summer meetings with Montepregado and another, unnamed, FLA activist, in November another FLA leader, Luis Vaz do Rego, arrived in the capitol to drum up support for the secessionist cause. Allen took Rego to the State Department. He arranged a meeting in the offices of his consulting firm, Potomac International Corp., between Rego and two CIA officers. (Rego reported the intelligence officials told him, "There is nothing we can do.") He also introduced Rego to a gathering of congressional aides on Capitol Hill.

Allen says he only made it possible for Rego and others to meet people; he did not, he insists, try to influence policy.

The separatists say, however, that Allen drafted a letter for their use in a congressional lobbying campaign. Written as if it originated with constituents, the letter was mimeographed, distributed at Azorean-American rallies, and sent to congressmen. It warned that failure to support the islands' independence would cost them votes.

The Foreign Agents Registration Act requires anyone disseminating material on behalf of a foreign group to influence US policy must not only register himself, but file copies with the Attorney General.

Rego, who delivered the letter to supporters of the FLA in New England, also told them Allen was to be their "liaison man in Washington." According to Rego, who is a Por-